CENTRAL INTELLIGENCE AGENCY AGENCY AGENCY Signael/Arab.States. DATE DISTRIBLIAN Mar -1949 Observations Concerning Peles NO. OF PAGES देकार राज्यान अस NO OF ENCLS ACQUIRED BY SOUR INEVALUATED INFORMATION **学生的一种企业** OBSERVATIONS CONCERNING PALESTINE AND THE ARAB COUNTRIES SE/HOTE: The Hilitary Situation in Palestine
The new State of Israel is strong in military squipment, finances, and moral and possesses as briking in year, which could easily seize the remainder of and possesses as briking in year, which could easily seize the remainder of applesting as well as adjacent parts of Lebanon Syria or of Egypt north of applesting as well as adjacent parts of the parts military adventure will be to The news as a still receiver which could be and possesses a still receive parts of Lebanon, Syria, or of Expt north of Palestine as well as adjacent parts of Lebanon, Syria, or of Expt north of the Suez Genal Majis probable that the next military adventure will be to annex the Jersual emistee. The Arabs cannot successfully renew the appeal to annex the Jersual emistee. The Arabs cannot successfully renew the appeal to annex the Jersual emister of the Arabs and airplanes.

This is a still represent the situation as it was on June 1, 1948. Israel then awas accessing in his Jersual Corange of the Strate of the Majis and the United then awas accessing in his Jersual Dieration Corange of the Later and La Arab grans and villaces Just as to plot createred imposent by Messers chmidt plan arab morale was funther damaged by the grans Jordan and tradition the lotation defeats indicted by Israel on the Arab of Irab territory without Tesandto United to the Arab territory without Tesandto United the Arab tesandto Un of British diplomacy in detachir tary program and by the battle nethe successive seigures by Israel Wations orders to retire to position he Araba

II. A Long-Range Disaster

The establishment of the State of Israel by force, with intimidation of Arab governments by the US, and the USSE, with the cutting off of British arms and ammunition (the Arabs! only source of supply), with ample sources for Israel of munitions and finance, the Israeli battle victory is complete, but it has solved nothing. If boundaries to an Israeli State any boundaries, had been set and guaranteed by the Great Powers, peace might return to the area. On the contrary, we have actually a rictorious state which is limited to no frontiers and which is determined that no narrow limits shall be set. The Near East is faced with the almost certain prospect of a profound and growing disturbance by Israel which may last for decades.

- (a) Instead of restoring the boundaries of the Province of Judea as they were in 70 AD, the Israeli leaders now state freely, though usually unofficially, their demand for an eyer expanding empire. Their present possessions are regarded by them as lowly a beachhead into the Arab and Muslim World a large part of which they intend to exploit. They are not prepared to live off what the lead will yield as the Arab and Survey of the lead will yield as the Arab and Survey of the Survey of Tripes and Tripes of the Survey of the Survey of Tripes and Tripes of Tripes of the Survey of Tripes and Tripes of Tripe
- (b) The sindex of the cost of living in Israel has risen to 500% of what it was in that area from 1933 to 1939 Having driven out the Irabs from their homes is Israel lacks cheap labor, and without a very large per capita subsidy the economy of the state would seem collapse. This the Israeli Government intends to prevent by continuing to secure funds from Zionists and other sympathizers abroad by large loans, and was spon as possible by the exploitation of the irab historiand, especially the agriculture and industries of Syria and iraq.
- plotation of the Arab Minterland tespecially the agriculture and industries of Syria and Iraq.

 Of Syria and Iraq.

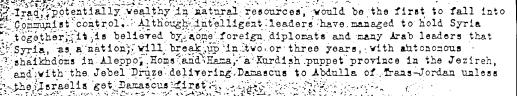
 (c) Alone among the Great Powers, Britain has been working on a plan to restore a balance between the forces in Palestine but it already appears that this plan is probably doomed to rail. Zionist pressure in the UBA.

 Anglophobia in Iraq and Expt, and above all, Russia's determination to prolong chaos in the Wear Mast and to complete the discrediting of British and American diplomacy, combine to work against the policy of the British Government and its collaborators— King Abdulla of Trans—Jordan and the Prime Minister of Lina Suries Saids 1.
- (d) The duration of the disaster is guaranteed also by the unsolved problem of 700,000 drab refuses. Whether or not these refuses are red, clothed, and kept alive for the time being they remain as a primary source of resentment distress and continuing expense. No workable plan has been proposed for their resettlement in a galaful livelihood; Israel sneers at the UN order to repatriate on compensate them. Riots have already taken place in some of the refusestemps and refuses leaders have addressed their followers in vituperative language, denouncing impricant, builtship inquists and drab league failures, of which they are the helpless trictime. They include many intellectuals who are more than ripe for for Communist propagand again of whom are now meeting regular in Aleppo

III. Arab Politice

Since the Arab military defeats and the complete rebuff of the Arab position at the United Mations Assembly in Paris othe Arab League has practically discopped to a political discopped as a political discopped and the several Arab countries are pursuing antiqual sticipalities are pursuing antiqual sticipalities are pursuing antiqual sticipalities are pursuing antiqual sticipalities.

Only Sandi Arabia izypt hand perhaps lebenon have a good chance to succeed in maintaining their independence by following the new solutionist policy. Scandivirable alone follows a completely realistic policy of refusing to commit replicite for sentimental or functical reasons. Expet is still internally insecure and with recurring assessing tions and riotings may face internal upheaval and the cliquidation of the upper classes.



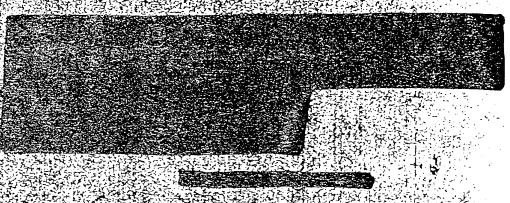
The United Nations is already completely discredited in the minds of the Arab Governments and the Arab peoples. There are many reasons for this, but the evidence usually cited is the failure of the UN or the Mediator to enforce UN orders to Israel. For example:

- (a) To prevent arms and Czechoslovakian airplanes from reaching Israel.
- AND THE STATE OF T (b) To deliver the assassing of Count Bornadotte, although their identity
 - (c) To repatriate or compensate over half a million refugees.
- (d) To permit UM observers with Israeli forces when they are on the
- (e) To retire to the lines occupied at the October 14 "cease fire" period.
- (1). To evacuate areas given to the Arabs by the UN proposal of November 29, 1947; although at the same time insisting upon invading the Negeb, to excuse which they quote the same UN partition proposal. (The Arab areas occupied in defiance of the UN; include Yestern Galilee, Jaffa, Nazareth, and villages over the Lebanon frontier.)
- (g) To respect the international character of the Jersusalem area.

Y. Russia's Purpose

Although Russia has officially sided with Israel she is actually on the side of disorder and hunger. hussia and her satellites armed Israel to an extent few people in the United States understand; but Communists are also active among the Arabs. They may upset the Iraq Government at any time; they have succeeded in establishing contact with the President of Syria to whom overtures have been made, they have captured the leadership of Arabs in Nazareth, Jaffa, and Acre, who are despairing of any effectivehelp from Arab countries and are turning to Communism. (In Nazareth, for example, no one can hold or get a job without the permission of the Communist boss.) The USSR will help Israel expand until the Arab Governments has well as British and American policies are completely discredited. The Russians will then decide whether to make a puppet of the Zionists or of the Arabs - if the situation in the Hear East continues to degenerate, Russia may find both parties begging for the honor. The Prine Ministers of two Arab countries told me they have reason to believe that, block in Western Burope, Bussia will divert her Cold War to the "soft-underbelly" of the Near Last

> X Y Y to the identity of persons whose opinions are given in the text below 5



MPLE LIABI



SUMMARY OF COMMENTS BY CERTAIN PERSONALITIES MADE IN PRIVATE INTERVIEWS — December 17, 1948 to January 19,1949.

Key Designation

A. "Propaganda has failed; the UN has failed; the Arabs are divided. What is the use of empty threats by Farouk, Ibn Saud, etc., when there is nothing they can deliver?

"Abdulla at least has a program. No one else is acting effectively. He is the lesser of evils, although he is not reliable himself. But he might stop the Jews.

"Syria suffers from no program. There is profound discontent, a demand for a real economic program. Otherwise the country will be bankrupt and in chaos.

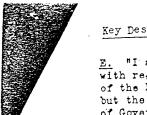
"Only a Greater Syria will provide the economic means to enable the northern Arab countries to avoid revolution and escape Communist domination. This Greater Syria, however, should not be under the crown of Abdulla of Transjordan, but under the crown of the King of Iraq, with viceroys representing him in Syria, Transjordan, and Palestine.

"The northern countries cannot hope for support from Egypt or Saudi Arabia from which they are separated physically by Israel and by the unreliable British puppet, King Abdulla. In spite of the infiltration of Iraq by Communist propaganda, I feel sure that Iraq is more secure than Egypt, where the Muslim Brotherhood will continue its assassinations, and where King Farouk keeps a plane fueled up for a quick departure to his happy hunting grounds in Rhodesia."

- Syria cannot be saved by a reshuffling of the same faces in the Government most of whom are content to hold office and draw salary. Syria cannot be lifted from its demoralized condition after the Palestine defeats, or preserved from the threat of bankruptcy and of civil strunless there is a profound reform and a constructive economic program reaching and benefitting the common people. 'So far as Aleppo is concerned, we have no reason to believe that the new Syrian Government will be any better than its predecessors."
- Was the Bernadotte Proposal for the frontiers between Israel and Arab Palestin. At that time I still believed that there was a chance for UN officials and the general American public to consider limiting Israel to reasonable frontiers which would leave in Arab hands the principal centers of Arab population. Unfortunately no Major Power supported the Bernadotte Plan. After Bernadotte's assassination, I spoke with the two top men responsible about the solution I have described, and both said, 'Yes, that is a very sensible plan and a very fair solution if it could be arranged.' But nothing ever happened about it. It was like a subject of the weather which Mark Twain said everybody talks about but no one does anything about."
- D. "Strange as it may seem to you, I now favor the partition of Palestine. Convinced as I am that the Zionists will continue their aggressive policy of expansion in the effort to exploit the Arab World, I think we Arabs are much better off to have Israel behind definite frontiers resulting from partition than to have to include the Zionists in a single State of Palestine and have them, with their propaganda and endless financial resources, gradually work from within Arab Councils and the Arab League to undermine Arab interests. I believe it is better to have your enemy in a neighboring lot with a fence between behind which he is supposed to stay, than it is to have him as a part owner c. your own farm with freedom to roam all over your own house and property."



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E. "I am concerned about nepotism in the Saudi Arab Government, especially with regard to the Royal Family and the Minister of Finance. Other advisors of the King seem to rise or fall in accordance with their personal services, but the Minister of Finance is entrenching members of his family in positions of Government responsibility without regard to their competence. His nephew, who is practically an idiot, is getting too much control of finances. Although the King makes good use of a few of his older sons, some of the others are intriguing and running up debts in a way that does not promise well for their conduct if the King should die, and they should be free to suit themselves. In my opinion, Saudi Arabia is entirely too much bound to the Royal Family and to the family of the Minister of Finance, without any opportunity for others to reach positions of responsibility."

F. "I myself and a number of my family have lost all faith in the program of the Mufti and in any of the Arab leaders proposing plans for Palestine. Together with three of my cousins, we are in close touch with the Communist agents with whom we meet regularly. As a good Muslim, I do not believe in the Communist doctrine, but I also do not believe that Russia is helping the Jews because she cares about them. Opposed as we are by American sympathy for Israel, and abandoned as we are by the British who used to supply us with arms, we shall look for help wherever we think we may find it; and I believe that we say find help in Russia, to whom your country also turned when you were fighting for survival in the recent war."

G. We still feel the way we did about Palestine, but the Arab program for Palestine has been defeated for the time being; in fact, there was never really any agreement on an Arab Plan for Palestine. King Abdulla would sell his fellow Arabs into slavery or permit them to perish if he could increase his own power. You may be sure that Saudi Arabia will follow a realistic course in its own national interest and will not be diverted by any sentimental or fanatical considerations, nor by any foreign interference. Insofar as we can do so without the loss of independence we shall cooperate fully with Americans and British in economic matters and in the technical developments needed in Arabia, but in politics we shall be very careful before deciding what other countries or governments will be our friends.

H. *I believe that popular enthusiasm for Israel has passed its peak with the successful establishment of that State: I understand that some of the principal Jewish supporters are already cutting down their contributions, and it may be that financial resources will steadily dry up. If this is

principal Jewish supporters are already cutting down their contributions, and it may be that financial resources will steadily dry up. If this is understood and believed by Israeli leaders, they may be willing to compromise their ambitions and settle down in a limited state such as the territory they now occupy. If, on the other hand, they are confident of continuing resources, the extremists may win out, and they may continue to seize additional territory. This continues to be the chief threat to peace. The United Nations has not been able to agree on definite borders for the Israeli State which already administers territory it was never contemplated she should have; and without agreement among the powers to establish the frontiers, the hope for peace depends upon the reasonableness of both Jews and Arabs in accepting boundaries that constitute a compromise, and then remaining within those boundaries.

I. "The leaders and the people of Israel, as I have seen them in Haifa,
Tel Aviv and elsewhere during the past eight months, are exultant and confident
as a result of their victories, and of their recognition by the world powers.
They include many mea with brains and ability, and they have ambitious plans
for their State.

*In spite of what some: Israeli leaders have claimed, the Israelis drove the Arabs from their homes and never invited them to remain peacefully in Israel until after they had left and their property had been confiscated. The homes have been and are being rapidly filled with Jewish immigrants. This is true of the cities and towns; as for the small villages and farms, the present procedure is to obliverate and plow up the Arab hamlet or farm and build a Jewish settlement with a new name, wiping out all trace or record of their previous Arab location and property. The purpose in all of this is freely admitted — that the Israelis want to make impossible the compensation of Arabs driven out even though such compensation should be forced upon them in principle





by some world authority. How can one estimate the value of a home and property which has been obliterated, and of which no record remains? There is no question about it in my mind: Arabs will not be permitted return to Israel and compensation will not be made to them. On the other hand, there is a desperate effort being made to invite back certain Arabs with Communist leanings who may be used for propaganda purposes against their fellow Arabs. A few hundred such Arabs have returned upon the invitation of Israeli authoriti

"The Israeli military leaders have told me that if the first truce had not come when it did they would have lost the war. During the three months following the first truce, the airplanes-with-mechanics which arrived from Czechoslovakia and the arms and explosives purchased in many places, coupled wi the complete embargo on arms to the Arabs and political dissension among the

Arabs gave the Israelis a striking force which was decisive.

*Israel still faces a major problem even if she does succeed in controlling her: extremists and expansionists. This is the problem of maintaining the standard of living which she has thus far enjoyed by virtue of a very high subsidy from abroad. The cost of living in Haifa and Tel Aviv is 500% of the average cost of the period 1933 to 1939. There is no cheap labor; wages and rents are exorbitanti.

Cay where years t kon ..

*The people cannot possibly live off the land and sell their produce to compete with the Arabs in neighboring countries, who are raising the same fruits and vegetables at less cost. The danger in this situation is that Israel will not accept a lower standard of living nor reduce her population to the number which the land would support. She expects to maintain the prosperity of the country either (1) by continued financial support from the Jews of the world and their sympathisers, or (2) by exploitation of the neighboring Arab countrie where she expects to find the cheap lawr and the raw materials.

J. WI have seen Buncheand General Riley several times. Both were hopeful of a Palestine settlement, if Zionists could be restrained.

**British General Gale, commanding Suez Canal Zone, and U.S. Admiral

Sherman, are ready to act to protect their nationals, or evacuate them from the area.

*Ambassador Griffis acted on the Bernadotte Plan, sought to secure Arab agreement to it, only to be slapped down by Yashington. One day Griffis told me he had received the same day four telegrams from Washington all mutually contradictory ... Wealthy Jewish friends of Griffis in the U.S.A., when he tried to secure their support for the Bernadotte Plan, slapped him down and refused to back him as they promised to do... Griffis hoped to get Egypt in lin to have Egypt withdraw from the Arab group and align itself with the West, leaving Syria and Lebanon in the lurch ... Griffis never permitted any telegram or despatch from the Embassy to carry any anti-Jevish news, nor say anti-Arab news. Ireland is more free to report the truth of Israeli violations, etc., since Griffis has left. .. Israeli recruits in the last six months have been 40% from behind the Iron Curtain."

K. *Britain is backing Abdulla of Transjordan, with the purpose of Balkanising the other arab countries and making them come crawling to Britain for protectic and separate treaties. It is all a matter of arms, planes, military transport, and Britain will deal it out to her numbers alone.

1. Syria will go to pieces in time. There is no powerful friend, too many centrifugal forces pulling it apart. Abdull is nothing in himself, wo resources, hatural or financial. He must therefore be a puppet and cannot act independently. He is a safe investment until the British drop him."

M. *A dis-hard: Arabs must maintain morale and never compromise. I was against war but having embarked, the Arabs must keep it up, cold and hot, until victory, no matter how many years. Morale must be sustained. Dunkirk, Stalingrad, prove one can survive temporary battle defeats, provided the will-to-victory remains. Abdulla will be thrown out of Arab League, and the fight will go on. The Israelis are NOT invincible. How can three-fourths of one million Jews overcome thirty-five million aravs in the long run?"

Key Designation

H. Lebanon -- Bost -----H. Lebanon -- most stable and reliable Arab country. Tapline would be decisive in its economy, and successful. Griffis in wrong in urging Egypt as a better route. Egypt's future will be decided by other factors. (You cannot marry Egypt to reform her -- she is too far gone.) Egypt is less secure as a pipeline route than Lebanon.

Syrians are convinced of Tapline's value. When a government is formed it will ratify early. To be sure, Syria is precarious, and in a couple of years it may be broken up by the Greater Syria plots of Abdulla, but whoever owns and governs the Tapline area will probably be sensible enough to protect

When I got an autographed photo from Abdulla, the King signed it in red ink, the color of the Hojazi, but I think Britain would not allow Abdulla to attack Saudi Arabia. ...

Fin time, Abdulla will probably take over the Jebel Druze and Damascus. He will not touch Lebanon which he said, is like a beehive, very active and full of honey, but better not stick your finger in. At the same time, the Communists may take over northern Syria, the Jerzirah, Aleppo, etc. The Sovie Minister to Syria and Lebanon, reported to be on indefinite leave or transfer. suddenly returned to his post.

O. "In our opinion, no Syrian Government formed now will be stable. The discontent is too profound.

*Well-known Communist sympathizers among the Arab refugees have been invited back to their homes by Israel, and have gone back. Russia is arming Israel and preparing some day to take over the internal government. The Israelis have been successful in winning the favor of observers by lavish hospitality, including champagne and Jewish women, ".

P. ATThe U.S. Government has lost both Israel and the Arabs. Israel is already a tool of Russia. The irabs can never cooperate with Russia but they have lost all faith in the U.S. Their only hope is to refuse to agree to any rape of their land. Let the Jews seize what they can, they will over-extend have lost all faith in the U.S. Their only hope is to refuse to agree to rape of their land. Levithe Jews seize what they can, they will over exthemselves and fall in the end. The Arabs will not and cannot submit: